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SIPDIS

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DEPT FOR SES-O; EB; NEA

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TAGS: [ENRG](#) [EPET](#) [ECON](#) [KU](#) [OIL](#) [SECTOR](#)

SUBJECT: EXPLOSION AT KUWAIT SHUAIBA REFINERY: LIMITED
IMPACT, NO DEATHS, NO INDICATION OF TERRORISM

¶1. On 4 November, at approximately 1330 local time (1030 GMT) there was a pipeline explosion and subsequent fire at unit 8 (a heavy oil processing unit with a capacity of 25,000 bpd) of Shuaiba refinery, Kuwait's smallest refinery which processes approximately 200,000 bpd. The refinery is located about 15 miles south of the outskirts of Kuwait City. (Overall, Kuwait possesses a refinery capacity of 915,000 bpd.) As of 1700 local time, the fire was under control but not yet extinguished. There was reportedly no danger of spreading or secondary explosions. Part of the refinery has been shut down, but other parts remain operational. There was no damage to the adjacent Abdulla refinery which remains fully operational.

¶2. There are no reported deaths. Some reports indicate no injuries; others indicate one victim with burns of unknown severity. Early indications point to an operational accident. There are no/no indications at this point of a terrorist attack.

¶3. Fahad Al-Dihani, Manager of Health and Safety at Kuwait National Petroleum Company (KNPC) which owns and operates the refinery, told Econoff at that it appeared the fire resulted from a gas leak, but that a full investigation could not begin until the fire was extinguished. He said all personnel (approximately 800 workers) were initially evacuated from the refinery, but many personnel were subsequently allowed to return to work in non-affected areas of facility. Both Mohammed Al-Ajami, a spokesperson for KNPC, and Al-Dihani insisted that there were no indications that this incident was the result of anything other than an operational accident. Additional firefighting units remain on stand-by but have not been called to the scene. Initial reports indicate that the response to the emergency was prompt and effective.

¶4. These reports are corroborated by private engineers of U.S. company Fluor, who were near the scene at the time of the incident, as well as Naval Criminal Investigative Service (NCIS) personnel who were also coincidentally nearby.

¶5. Fahad Al-Dihani said though he could not be certain until the investigation was complete, he expects the accident to have a very "limited and temporary impact" on operations at the refinery. According to Hussain Ismael, Shuaiba Refinery Manager, it is difficult, at present to assess specific damage. He said that some other units had been shut down as a precautionary measure per established procedure, but these units will be restored to operation while an investigation is conducted to determine the cause of the explosion.

¶6. Shuaiba refinery produces light, medium, and heavy products including naptha, gasoline, kerosene, fuel oil, and diesel.
LeBaron